

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 2575
H.D. 3

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2575, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE BOILER AND ELEVATOR SAFETY LAW,"

begs leave to report as follows:

The purpose of this measure is to improve public safety by, among other things:

- (1) Establishing fee schedules for inspections, permits, and examinations of boilers, pressure systems, elevators, and kindred equipment, and amusement rides to provide operating funds for the Department of Labor and Industrial Relations Boiler and Elevator Inspection Branch;
- (2) Establishing the Boiler and Elevator Special Fund for the deposit of fees charged and collected under (1);
- (3) Authorizing the establishment of ten additional permanent positions in the Department of Labor and Industrial Relations Boiler and Elevator Inspection Branch;
- (4) Requiring the Department of Labor and Industrial Relations to submit an annual report to the Legislature on the status of the elevator and boiler inspection



backlog no later than 20 days prior to the convening of each regular session, commencing with the Regular Session of 2013;

- (5) Appropriating \$1,000,000 out of the general fund to be deposited into the Boiler and Elevator Special Fund as start up funds to continue operations of the Boiler and Elevator Inspection Branch until additional staff are hired and trained; and
- (6) Appropriating \$2,900,000 out of the Boiler and Elevator Special Fund to fully staff the Boiler and Elevator Inspection Branch and maintain timely inspections and safety tests.

The Department of Labor and Industrial Relations; Hawaii Government Employees Association; ILWU Local 142; Hawaii Building & Construction Trades Council, AFL-CIO; Hawaii Laborers' Union; International Union of Elevator Constructors, Local 126; National Elevator Industry, Inc; and a concerned individual testified in support of this measure. The General Contractors Association of Hawaii and Institute of Real Estate Management commented on this measure.

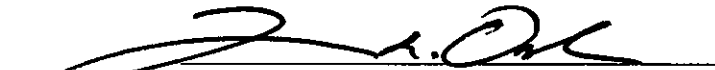
Your Committee has amended this measure by:

- (1) Changing the amount of general fund appropriations deposited into the Boiler and Elevator Special Fund as start up funds to continue operations of the Boiler and Elevator Inspection Branch until additional staff are hired and trained from \$1,000,000, to an unspecified amount;
- (2) Changing the amount of monies required to be repaid by the Department of Labor and Industrial Relations to the general fund from \$1,000,000 to an unspecified amount;
- (3) Changing the effective date to July 1, 2012; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2575, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2575, H.D. 3.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



